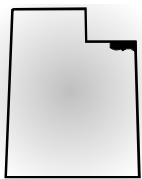


County Trends



Daggett

December 2002

A Local Economic Perspective

2002 - Off To A Good Start!

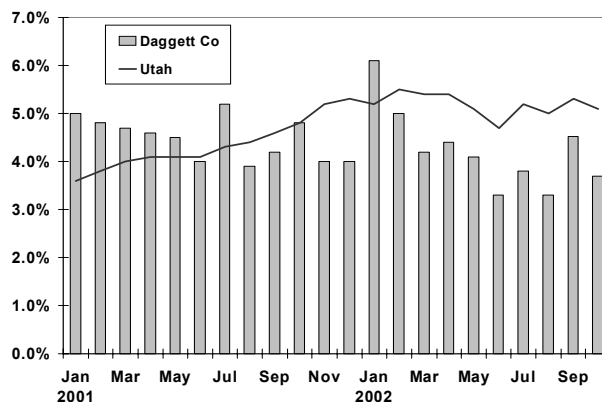
Daggett County enjoyed a solid start during the first half of 2002. Jobs increased in both the first and second quarters and unemployment has been fairly stable. The most current unemployment rate for October of 2002 was 4.2 percent, well below the state's 5.1 percent.

Employment Gains Ground

Daggett County's nonfarm employment rose dramatically in the first two quarters of 2002 compared to the first two quarters of 2001. Nonfarm jobs rose 13 percent in the first quarter and 8 percent in the second quarter. While 2001 was rough, largely due to the completion of construction projects, 2002 has benefited from increased recreation, security, and repair services.

Employment in the goods-producing industries of construction, mining, and manufacturing declined slightly. Construction, which dominates the majority of goods-employment, accounted for most of the jobs losses due to the completion of heavy construction projects.

Seasonally Adjusted Daggett County Unemployment Rates

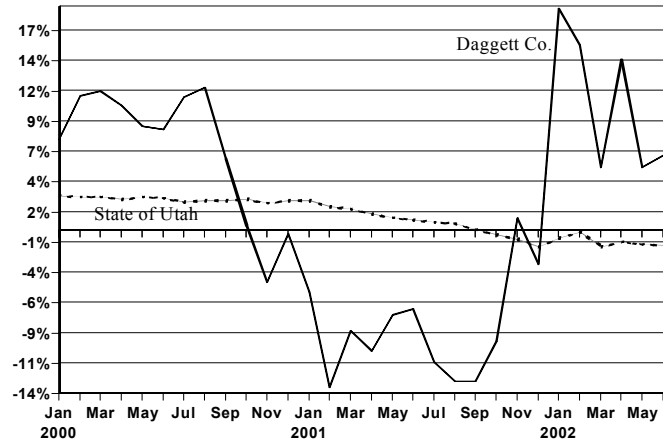


Source: Utah Department of Workforce Services.





Year-Over Change in Daggett County Employment



Source: Utah Department of Workforce Services.

To the Point

Daggett County's economy rebounded in the first and second quarters of 2002 compared to the previous year. Services-related employment rose in recreation, repairs, and lodging. The expansion of security services at Flaming Gorge also added to the rapid growth.

The service-producing industries, which includes trade, transportation, information, recreation, lodging and food services, account for a large portion of the county's growth. Jobs related to recreation services expanded. Lodging employment also increased. These gains were partially offset by declines in retail trade and food services.

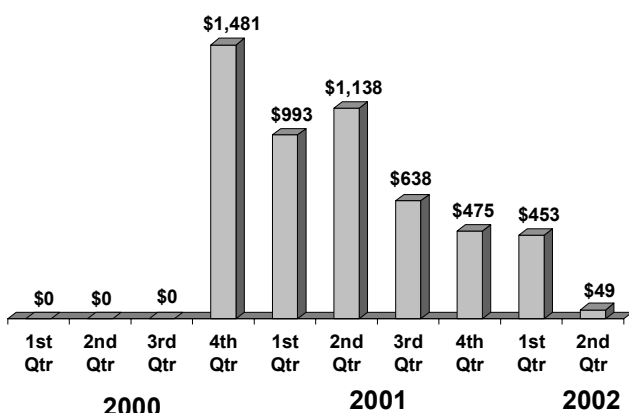
Repair services for vehicles expanded rapidly. Also adding jobs was government, the single largest industry in the county. These jobs were related to security at Flaming Gorge Dam. Also showing a slight increase in employment was public education. Federal employment reported a scant increase, while state employment was virtually unchanged.

Construction Falters

Construction activity in Daggett County, as measured by authorized permits, showed very little activity in the first or second quarters of 2002 compared to a year ago. The total value of permit-authorized construction was down 76 percent for the first six months of 2002. Housing starts and valuations are down around 90 percent.

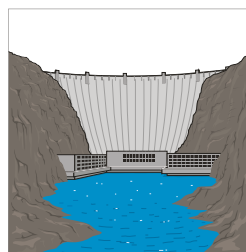
Daggett County Total Construction Permit Valuation

3



(Thousands of dollars)

Source: Utah Bureau of Economic & Business Research.



Nonresidential activity has tumbled as well, though not as steeply as residential activity. Overall, nonresidential construction values dropped 26 percent. The building of a new industrial building is the main reason the decline wasn't deeper. The valuation of renovation work also fell.

Sales Creep Upward

Gross taxable sales rose in the first quarter of 2002, led by a jump in communication sales. However, much of the momentum was lost in the second quarter of 2002 as lodging sales slid. Electric and gas sales, and business services sales also declined.

Outlook for the Rest of 2002

While 2002 began with a bang, the effects of the recession soon caught up with Daggett County. Particularly with the drought and fire damage to facilities near Flaming Gorge, a drop in recreation related jobs is likely. Slower growth nationally and in Utah continues to hinder the economic outlook for Daggett County.

Austin Sargent, Regional Economist
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Quick Facts

October 2002

Unemployment Rate

Daggett County	3.7%
Utah	5.1%
U.S.	5.7%

June 2002 Change from Previous Year

Job Growth

Daggett County	6.2%
Utah	-1.3%
U.S.	-1.1%

2nd Qtr 2002 Change from Previous Year

Construction Values

Daggett County	-76.4%
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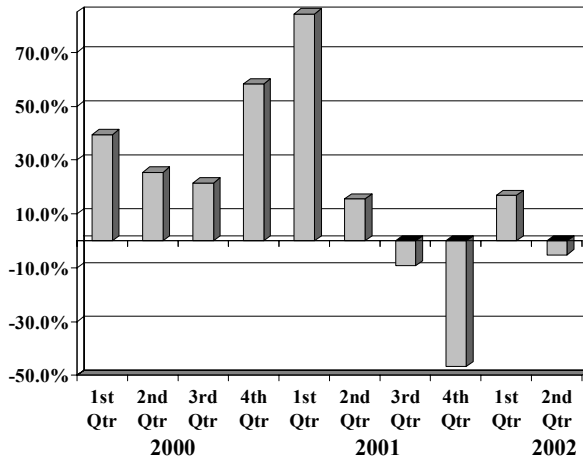
Sales

Daggett County	-5.2%
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Source: Utah Dept of Workforce Services,
Bureau of Labor Statistics,
Utah Tax Commission,
Bureau of Econ & Business Research.

**For more economic information about Daggett County see:
<http://jobs.utah.gov/wi/Regions/County.asp>**

Year-Over Change in Daggett County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

What's Up? ⁴

- Construction work on the Cedar Springs Boat Ramp will begin this fall. The project includes repairs to the existing ramp and the construction of a new retaining wall to protect the ramp
- The U.S. Department of Agriculture provided \$225,000 in grants and a \$225,000 loan to Daggett County to help develop a culinary water system in the county and Manila.

For more economic events, see:

<http://jobs.utah.gov/wi/Regions/eastern/daggett/daggettee.pdf>



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Equal Opportunity Employment Program

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